

NCNB Leasing Corporation
P.O. Box 120
Charlotte, NC 28255
Telephone 704 | 374-5269



February 27, 1979

Ms. Mildred Lee
Interstate Commerce Commission
Room 2227
12th and Constitutional Avenues, N.W.
Washington, D. C. 20423

No. 3 0601045
Date MAR 9 1979
Fee \$ 50.00
ICC Washington, D. C.

RECORDATION NO. 10182 Filed 1425

MAR 9 1979 - 11 00 AM
INTERSTATE COMMERCE COMMISSION

Dear Ms. Lee:

We request that the following document be recorded pursuant to the provisions of Section 20C of the Interstate Commerce Act:

Schedule to Master Lease and Attachments - total of six (6) pages - dated February 27, 1979, between:

Lessor: NCNB Leasing Corporation
One NCNB Plaza
Charlotte, North Carolina 28255

Lessee: Aberdeen and Rockfish Railroad Company
Post Office Box 917
Aberdeen, North Carolina 28315

Equipment Description:

Fifty (50) 50'6" 70-Ton Single Sheathed XL Boxcars with Waffle Sides and 10' Sliding Doors. Road Numbers AR1550 thru AR1599 inclusive.

A check for the \$50.00 recordation fee is enclosed. Please return one copy of the document showing the recording data to M. L. Shivers, NCNB Leasing Corporation, One NCNB Plaza, Charlotte, N. C. 28255.

Sincerely,

NCNB LEASING CORPORATION

M. L. Shivers

M. L. Shivers
Vice President

MLS/sbc

Enclosures

RECEIVED
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I.C.C.
FEE OPERATION BR.

Interstate Commerce Commission
Washington, D.C. 20423

3/9/79

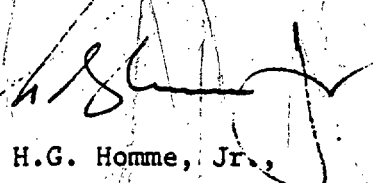
OFFICE OF THE SECRETARY

M.L. Shivers
Vice Pres.
NCNB Leasing Corp.
P.O.Box 120
Charlotte, N.C. 28255

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 20(c) of the Interstate Commerce Act, 49 U.S.C. 20(c), on 3/9/79 at 11:00am and assigned recordation number(s) 10182

Sincerely Yours,


H.G. Homme, Jr.,
Secretary

Enclosure(s)

SE-30-T
(2/78)

STATE OF NORTH CAROLINA)
CITY OF Aberdeen) ss.
COUNTY OF Moore)

On this 27th day of February, 19 79, before me personally
appeared Robert Veasey, to me personally known, who, being
by me duly sworn, says that he is President of The Aberdeen
and Rockfish Railroad Co., that one of the seals affixed
to the foregoing instrument is the corporate seal of the said corporation
and that the said instrument was signed and sealed on behalf of said
corporation by authority of its Board of Directors and he acknowledged that
the execution of the foregoing instrument was the free act and deed of said
corporation.

My commission expires:

1/7/81

(Notary Seal)

Deretta C. Russell
(Notary Public)

STATE OF NORTH CAROLINA)

CITY OF Charlotte)

COUNTY OF Mcklenburg)

ss.

RECORDATION NO. 10182 Filed 1425

MAR 9 1979 - 11 00 AM

INTERSTATE COMMERCE COMMISSION

On this 27th day of February, 19 79, before me personally appeared Michael L. Shivers, to me personally known, who, being by me duly sworn, says that he is Vice President of NCNB Leasing Corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of the said corporation and that the said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

My commission expires:

My Commission Expires June 26, 1982

(Notary Seal)

Margaret Taylor
Notary Public

SCHEDULE TO MASTER LEASE

Schedule No. 9010151803

A. EQUIPMENT LEASED:

50 50'6" 70-Ton Single Sheathed XL Boxcars with Haffle Sides and 10' Sliding Doors. Road Numbers AR1550 thru AR1599 inclusive.

B. TERM: Unless sooner terminated as set forth in the lease, the term of this lease respecting each item of equipment listed on this schedule expires on June 10, 1991

C. RENT: As rent for said equipment, lessee shall pay lessor the sum of \$ 2,892,136.00 plus taxes Except as otherwise provided in the lease or in this schedule said rent shall be payable in 146 monthly installments, commencing on May 10, 1979 as follows:
1-60 **Sixty (60) Successive Monthly Installments of \$21,592.00 Plus Taxes Commencing**
61-120 **On May 10, 1979;**
Sixty (60) Successive Monthly Installments of \$18,799.00 Plus Taxes Commencing
121-146 **On May 10, 1984;**
Twenty-Six (26) Successive Monthly Installments of \$18,026.00 Plus Taxes Commencing
On May 10, 1989.

Unless sooner paid, all said rent shall be payable in any event on or before the expiration or sooner termination of this lease.

D. LOCATION: The above described equipment shall be located at On Railroad Trackage Within The U.S.A. and shall not be removed therefrom without the prior written consent of lessor.

E. DEPOSIT: \$ N/A, pursuant to paragraph 16 of the lease of which this schedule is a part.

F. SPECIAL CONDITIONS:

AS PER ATTACHED SCHEDULE "A".

APPROVED AND AGREED TO this 27th day of February, 1979, as a schedule to that certain lease dated the 30th day of January, 1979, by and between the parties hereto, and made a part hereof.

Lessor:

NCNB LEASING CORPORATION

By [Signature]
 Title

Lessee:

Aberdeen and Rockfish Railroad Company

Name of Lessee

By [Signature]
 Title

By _____
 Title

Lessee

One NCNB Plaza, Charlotte, North Carolina 28255

(Seal) **Post Office Box 917**
Aberdeen, North Carolina 28315
 Address _____

100-100000

100-100000

100-100000

100-100000



SCHEDULE "A"

This schedule is to be attached to and becomes part of Schedule To Master Leasedated February 27, 1979, between the undersigned and NCNB Leasing Corporation

Provided all terms and conditions of the lease are being met, Lessee shall be entitled to sublease any unit of equipment, but only upon and subject to all the terms and conditions of the lease; provided however, that the Lessee shall not assign or permit the assignment of any unit of equipment to service involving regular operation outside the United States of America. At the request of Lessor, Lessee shall provide Lessor with the exact location of any unit of equipment. Upon loss or damage to any unit of equipment, Lessee shall promptly pay Lessor the loss payment as calculated according to American Association of Railroads Field Manual of the Interchange Rule, as such may be amended from time to time. Lessee shall provide Lessor with a written statement as of December 31 of each year, listing any unit of equipment not in service, and summarizing major repairs (other than necessary running repairs and inspections) to all units of equipment.

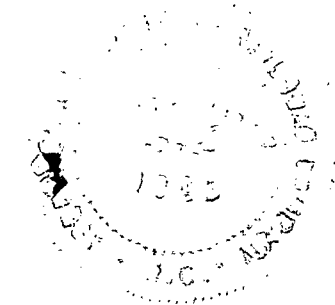
This schedule is hereby certified correct and undersigned acknowledges receipt of a copy.

Aberdeen and Rockfish Railroad Company Lessee/Debtor

By: Robert VeaseyIts President

And By: _____

Its _____



Indemnification and Installation Certificate

To: NCNB Leasing Corporation

Re: **9010 151203**

Reference is made to the Agreement(s) dated **February 27, 1979** between the undersigned and NCNB Leasing Corporation

calling for **One hundred Forty-Six (146)** monthly payments in the amount of ***See Below** each. We are pleased to

confirm to you as follows:

1. All of the equipment described in the above Agreement(s) has been delivered to and received by the undersigned; that all installation or other work necessary prior to the use thereof has been completed; that said equipment has been examined and/or tested and is in good operating order and condition and is in all respects satisfactory to the undersigned and as represented, and that said equipment has been accepted by the undersigned and complies with all terms of the above Agreements. Consequently, you are hereby authorized to pay for the leased equipment in accordance with the terms of any purchase orders for the same.
2. In the future, in the event that said equipment fails to perform as expected or represented we will continue to honor the above Agreement(s) by continuing to make our monthly payments in the normal course of business and we will look solely to the seller or manufacturer for the performance of all covenants and warranties. In addition, we indemnify NCNB Leasing Corporation and hold them harmless from any nonperformance of the aforementioned equipment.
3. We acknowledge that NCNB Leasing Corporation is neither the manufacturer, distributor or seller of the equipment and has no control, knowledge or familiarity with the condition, capacity, functioning or other characteristics of the equipment.

This certificate shall not be considered to alter, construe, or amend the terms of the aforesaid Agreement(s).

Dated this **27th** day of **February**, 19**79**.

M. L. Iliens
Witness

Aberdeen and Rockfish Railroad Company

(Signature of individual or name of corporation or partnership)

Robert Veasey

By

President

Title

***Sixty (60) Successive Monthly Installments
of \$21,592.00 Plus Taxes Commencing On
May 10, 1979;**

**Sixty (60) Successive Monthly Installments
of \$18,799.00 Plus Taxes Commencing On
May 10, 1984;**

**Twenty-Six (26) Successive Monthly Installments
of \$18,026.00 Plus Taxes Commencing On
May 10, 1989.**

Tax Indemnification

This Tax Indemnification Agreement, made this 27th day of February, 19 79, by and between NCNB Leasing Corporation, a North Carolina corporation ("Lessor") and ~~Aberdeen and Rockfish Railroad Company~~, a North Carolina corporation, ("Lessee")

Whereas, Lessor has agreed to lease to Lessee, under a lease, dated February 27, 19 79 ("Lease"), this Tax Indemnification Agreement being ~~fully~~ incorporated in the Lease as though fully set forth therein, certain equipment and other property, of all which is fully described in the Lease and attached schedule (s) ("Equipment"); and

Whereas, Lessee desires to indemnify Lessor from the disallowance or other loss of certain tax benefits accruing to the ownership of the Equipment.

Now, Therefore, in consideration of these premises and the mutual covenants contained herein, Lessor and Lessee hereby agree as follows:

1. If, for any reason, Lessor is not able to utilize all or any portion of any Federal tax deductions, credits and benefits, which are or could be available to Lessor by reason of its ownership of the Equipment, and which are provided for in the Internal Revenue Code, as amended to date hereof or subsequently ("Code"), Lessee shall pay, in addition to the rental payments provided for in the Lease, such further sum at the time and in the manner provided for in Paragraph 3 below, so that, in the opinion of Lessor, Lessor's net return (after all income taxes) on the Equipment would equal the net return (after all income taxes) Lessor would have obtained if Lessor had been able to utilize all of such deductions, credits or other benefits provided under the Code.

2. Lessee shall also pay to Lessor the amount of any interest and additions to tax which may be assessed against Lessor attributable to the disallowance or other loss of all or any portion of such deductions, credits or other benefits provided under the Code.

3. Upon written notification by Lessor that such deductions, credits or other benefits have not been claimed, or if claimed, have been disallowed, Lessee shall pay such further sum (s) as computed in Paragraph 1, thirty (30) days after receipt of such notice. Failure to pay said amount within the time herein prescribed shall entitle Lessor to exercise any one or more of the remedies provided for in Paragraph 17 of the Lease, or such other remedies as allowed by law or equity. Upon payment by Lessee of the amounts specified herein, Lessor agrees that, at the request and expense of Lessee, it shall take such steps, required by Code and the regulations thereunder, to permit Lessee to claim such deductions, credits or benefits provided under the Code.

4. Lessee agrees that it will not take such action or file such returns inconsistent with Lessor's right to claim the benefits of such deductions, credits and benefits as provided under the Code.

5. Lessee agrees to keep and make available, at Lessor's request, such records as Lessor may require to determine whether Lessor is entitled to said deductions, credits and benefits as provided under the Code.

6. Upon the request of Lessee, Lessor, at Lessee's expense, shall take, with regard to a bona fide claim, such steps as are feasible to sustain the allowance of a claim to such deductions, credits and benefits as provided under the Code.

7. Lessee's obligations hereunder shall survive the expiration or earlier termination of the Lease.

8. This Tax Indemnification Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Lessor and Lessee and to transferee of any title or interest to the Equipment.

In Witness Whereof, the parties hereto have caused their authorized officers to execute this Tax Indemnification Agreement on their behalf, and their respective corporate seals hereto affixed, all on the day and year first above written.

(Corporate Seal)

ATTEST:

Deed Russell

(Corporate Seal)

ATTEST:

[Signature]

Aberdeen and Rockfish Railroad Company

By Robert Vessey, President

NCNB LEASING CORPORATION

By M. L. Stivers Vice President